

# 2012 Blackford County Property Tax Report with Comparison to 2011

Legislative Services Agency

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This report describes property tax changes in Blackford County between 2011 and 2012. In 2012 tax changes in each county were affected most by local factors, such as changes in assessed values, deductions, levies, credits, and tax rates. In 2012, for the first time in years, tax bill changes were not affected by statewide policy changes. The big 2008 tax reform was fully phased in by 2011. There were some statewide trends. The effects of the Great Recession lingered in many counties, depressing assessed value growth. Taxes in rural counties were affected by a large increase in farmland assessed values.

In Blackford County the average tax bill for all taxpayers decreased by 1.2%. This tax bill fall was mainly the result of the 5.0% decrease in the tax levy of all local government units. Blackford County certified net assessed value increased substantially by 10.2%, mostly due to rising business assessments. Homestead assessments fell, which may have been a legacy of the recession. Falling levies and rising assessed values caused tax rates to fall in all Blackford County tax districts, which decreased tax cap credits. Credits as a percent of the levy fell by 3.5% in Blackford County in 2012.

	Average Change in Tax Bill, All Property	Total Levy, All Units	Certified Net Assessed Value	Tax Cap Credits % of Levy
2012	-1.2%	\$9,967,487	\$418,828,377	9.8%
Change		-5.0%	10.2%	-3.5%
2011	-0.3%	\$10,489,726	\$380,085,547	13.2%

## Homestead Property Taxes

Homestead property taxes decreased 12.0% on average in Blackford County in 2012. Tax rates decreased in all of Blackford County's tax districts. The county average tax rate fell by 13.8%. The percentage of Blackford County homesteads at their tax caps fell from 6.5% in 2011 to 4.7% in 2012.

### Comparable Homestead Property Tax Changes in Blackford County

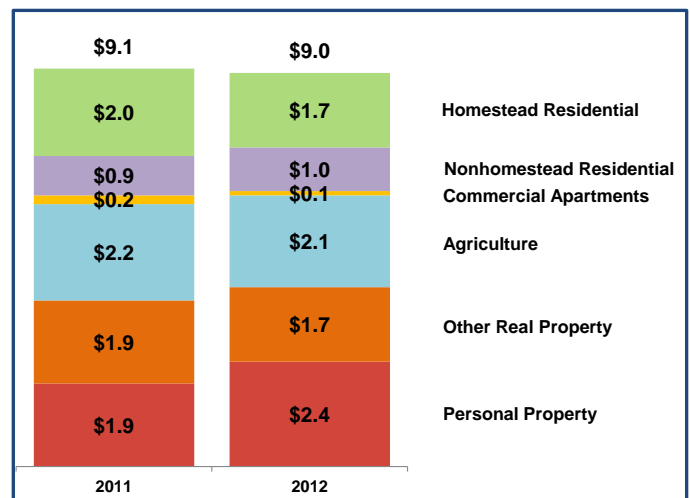
	2011 to 2012	
	Number of Homesteads	% Share of Total
<b><u>Summary Change in Tax Bill</u></b>		
Higher Tax Bill	420	10.7%
No Change	533	13.5%
Lower Tax Bill	2,989	75.8%
<b>Average Change in Tax Bill</b>	<b>-12.0%</b>	
<b><u>Detailed Change in Tax Bill</u></b>		
20% or More	119	3.0%
10% to 19%	58	1.5%
1% to 9%	243	6.2%
0%	533	13.5%
-1% to -9%	788	20.0%
-10% to -19%	1,575	40.0%
-20% or More	626	15.9%
<b>Total</b>	<b>3,942</b>	<b>100.0%</b>

Note: Percentages may not total due to rounding.

## Net Tax Bill Changes - All Property Types

Most of Blackford County's 2012 net property taxes were paid by business owners on their land and buildings (other real) and business equipment (personal), by owners of agricultural property, and by homeowners. Net tax bills for all taxpayers decreased 1.2% in Blackford County in 2012. Net taxes were especially lower for homesteads and commercial apartments, and lower for agricultural property and other real property. Personal property net taxes increased substantially, and taxes on nonhomestead residential property (mostly rental housing and second homes) increased as well.

### Comparison of Net Property Tax by Property Type (In Millions)



## Tax Rates, Levies, and Assessed Values

Property tax rates decreased in all Blackford County tax districts. The average tax rate fell substantially, by 13.8%. A large levy decrease combined with a strong growth in net assessed value to reduce tax rates.

Levies in Blackford County decreased by 5.0%. Blackford County Schools experienced decreases in its debt service fund, transportation fund, and school pension debt fund. The county government saw decreases in its general fund and jail bond fund. There were no units in Blackford County with significant increases in levies in 2012.

Blackford County's total net assessed value increased 10.4% in 2012. Business real and personal assessments increased substantially, by 18.3%. Agricultural net assessments rose 12.6%. The large increase in agricultural assessed value was due to the 16% increase in the base rate assessment of farmland, from \$1,290 to \$1,500 per acre for taxes in 2012. The drop in homestead assessments may have been a lingering effect of the Great Recession.

Property Type	Gross AV 2011	Gross AV 2012	Gross AV Change	Net AV 2011	Net AV 2012	Net AV Change
Homesteads	\$296,996,894	\$289,578,630	-2.5%	\$86,531,846	\$84,409,779	-2.5%
Other Residential	56,297,700	60,406,200	7.3%	54,271,258	57,959,852	6.8%
Ag Business/Land	113,696,200	128,087,100	12.7%	111,477,030	125,469,218	12.6%
Business Real/Personal	166,018,276	193,295,302	16.4%	134,633,578	159,247,625	18.3%
<b>Total</b>	<b>\$633,009,070</b>	<b>\$671,367,232</b>	<b>6.1%</b>	<b>\$386,913,712</b>	<b>\$427,086,474</b>	<b>10.4%</b>

Net AV equals Gross AV less deductions and exemptions • Tax rates are calculated on Net AV • Circuit breaker tax caps are calculated on Gross AV

## Tax Cap (Circuit Breaker) Credits

Property taxes are capped at 1% of gross assessed value for homesteads, 2% for other residential property (including rental housing and second homes) and farmland, and 3% for business land, buildings, and equipment. Taxpayers receive credits when their tax bills exceed the caps. Credits are revenue lost to local governments.

Total tax cap credits in Blackford County totaled just under \$1 million, or 9.8% of the levy. This was near the state average percentage of the levy of 9.2%, but more than the median value of 3.2% among all counties. Tax rates are the main determinant of tax cap credits, and Blackford County's tax rates were near the state average in 2012.

More than half of the total tax cap credits were in the 2% nonhomestead/farmland category; most of the rest were in the 3% business real and personal category. Tax cap credits in the 1% homestead category were so small because of Blackford County's local homestead credit and because Blackford County's homesteads have relatively low assessed values. The largest percentage losses were in Hartford City and the Hartford Public Library District, where district tax rates were above \$3 per \$100 assessed value. Percentage losses were also large in the city of Dunkirk and the Jay County School Corporation, cross-county units which are mostly in Jay County. The largest dollar losses were in Hartford City, Blackford County Schools, and the county unit.

## Tax Cap Credits by Category

Tax cap credits decreased significantly in Blackford County in 2012 by \$428,494, or 30.1%. The percentage of the levy lost to credits fell by 3.5%. There were no major changes in state policy to affect tax cap credits in 2012. Blackford County credits decreased mainly because district tax rates declined.

Tax Cap Category	2011	2012	Difference	% Change
1%	\$108,905	\$65,727	-\$43,178	-39.6%
2%	814,009	653,114	-160,895	-19.8%
3%	489,796	272,065	-217,731	-44.5%
<b>Elderly</b>	12,756	6,067	-6,689	-52.4%
<b>Total</b>	<b>\$1,425,467</b>	<b>\$996,973</b>	<b>-\$428,494</b>	<b>-30.1%</b>
<b>% of Levy</b>	<b>13.2%</b>	<b>9.8%</b>		<b>-3.5%</b>

### Blackford County Levy Comparison by Taxing Unit

Taxing Unit	2008	2009	2010	2011	2012	%Change			
						2008 - 2009	2009 - 2010	2010 - 2011	2011 - 2012
<i>County Total</i>	14,285,781	10,461,692	10,578,876	10,489,726	9,967,487	-26.8%	1.1%	-0.8%	-5.0%
State Unit	10,694	0	0	0	0	-100.0%			
Blackford County	3,478,256	3,067,341	3,182,766	3,325,369	3,172,204	-11.8%	3.8%	4.5%	-4.6%
Harrison Township	55,659	58,351	60,177	62,219	56,995	4.8%	3.1%	3.4%	-8.4%
Jackson Township	61,078	53,646	45,358	29,651	31,303	-12.2%	-15.4%	-34.6%	5.6%
Licking Township	174,493	181,455	185,249	193,358	200,419	4.0%	2.1%	4.4%	3.7%
Washington Township	36,932	29,630	38,746	35,425	31,267	-19.8%	30.8%	-8.6%	-11.7%
Hartford City Civil City	1,825,724	1,839,880	1,879,609	2,073,201	2,074,463	0.8%	2.2%	10.3%	0.1%
Dunkirk Civil City	19,488	14,414	15,249	19,309	19,782	-26.0%	5.8%	26.6%	2.4%
Montpelier Civil City	419,076	421,724	419,809	447,862	463,130	0.6%	-0.5%	6.7%	3.4%
Shamrock Lakes Civil Town	28,698	22,928	31,399	29,921	32,856	-20.1%	36.9%	-4.7%	9.8%
Blackford County School Corp	7,795,708	4,415,438	4,358,901	3,882,589	3,483,013	-43.4%	-1.3%	-10.9%	-10.3%
Jay County School Corp	22,440	12,288	12,890	15,259	13,753	-45.2%	4.9%	18.4%	-9.9%
Hartford City Public Library	279,976	267,556	272,110	289,474	299,478	-4.4%	1.7%	6.4%	3.5%
Montpelier Public Library	75,177	75,128	74,724	80,266	83,036	-0.1%	-0.5%	7.4%	3.5%
Dunkirk Public Library	2,382	1,913	1,889	2,402	2,437	-19.7%	-1.3%	27.2%	1.5%
Blackford County Solid Waste	0	0	0	3,421	3,351				-2.0%

### Blackford County 2012 Tax Rates, Credit Rates, and Net Tax Rates for Homesteads by Taxing District

Dist #	Taxing District	Tax Rate	LOIT PTRC	Credit Rates				LOIT Residential	LOIT Homestead	Net Tax Rate, Homesteads
				COIT Homestead	CEDIT Homestead	CEDIT Residential	LOIT Homestead			
05001	Harrison Township	1.7440	--	--	10.5554%	--	--	--	--	1.5599
05002	Montpelier City	2.6872	--	--	10.5554%	--	--	--	--	2.4036
05003	Jackson Township	1.6394	--	--	10.5554%	--	--	--	--	1.4664
05004	Dunkirk City (Shadyside)	3.6616	--	--	10.5554%	--	--	--	--	3.2751
05005	Licking Township	1.7095	--	--	10.5554%	--	--	--	--	1.5291
05006	Hartford City	3.4278	--	--	10.5554%	--	--	--	--	3.0660
05007	Shamrock Lakes Town	2.4474	--	--	10.5554%	--	--	--	--	2.1891
05008	Washington Township	1.6612	--	--	10.5554%	--	--	--	--	1.4859

Notes: A *Taxing District* is a geographic area of a county where taxing units overlap, so the sum of the taxing unit tax rates is the total district rate.

The *Tax Rate* is the gross levy divided by net assessed value, in dollars per \$100 assessed value.

The *LOIT*, *COIT*, and *CEDIT* credits are funded by local income taxes.

The *Net Tax Rate for Homesteads* is calculated by reducing the tax rate by the various credit percentages.

### Blackford County 2012 Circuit Breaker Cap Credits

Taxing Unit Name	Circuit Breaker Credits by Property Type					Circuit Breaker as % of Levy	
	(1%) Homesteads	(2%) Other Residential and Farmland	(3%) All Other Real/Personal	Elderly	Total		
<i>Non-TIF Total</i>	65,727	645,936	246,433	6,067	964,162	9,967,487	9.7%
<i>TIF Total</i>	0	7,178	25,632	0	32,810	235,985	13.9%
<i>County Total</i>	65,727	653,114	272,065	6,067	996,973	10,203,472	9.8%
Blackford County	14,558	146,917	54,434	1,949	217,857	3,172,204	6.9%
Harrison Township	3	1,045	0	13	1,061	56,995	1.9%
Jackson Township	0	105	9	4	118	31,303	0.4%
Licking Township	1,693	14,601	6,324	227	22,844	200,419	11.4%
Washington Township	0	0	0	7	7	31,267	0.0%
Hartford City Civil City	29,080	250,049	109,211	1,369	389,708	2,074,463	18.8%
Dunkirk Civil City	0	6,037	531	0	6,568	19,782	33.2%
Montpelier Civil City	73	24,264	0	101	24,438	463,130	5.3%
Shamrock Lakes Civil Town	70	1,060	0	33	1,162	32,856	3.5%
Blackford County School Corp	16,032	158,610	59,667	2,147	236,455	3,483,013	6.8%
Jay County School Corp	0	4,197	369	0	4,566	13,753	33.2%
Hartford City Public Library	4,198	36,098	15,766	198	56,260	299,478	18.8%
Montpelier Public Library	6	2,054	0	19	2,079	83,036	2.5%
Dunkirk Public Library	0	744	65	0	809	2,437	33.2%
Mideast Indiana Solid Waste Mgmt Dist	0	0	0	0	0	0	
Blackford County Solid Waste	15	155	58	2	230	3,351	6.9%
Hartford City Redevelopment Commission	0	0	0	0	0	0	
TIF - Hartford City 100	0	1,520	22,287	0	23,807	182,244	13.1%
TIF - Hartford City Expansion	0	5,546	1,673	0	7,218	26,718	27.0%
TIF - Industrial Park 200	0	112	1,672	0	1,784	27,023	6.6%

Notes: Circuit breaker tax cap credits are tax savings for taxpayers and revenue losses for local government units. Circuit breaker credits are highest in tax districts with the highest tax rates. These are usually districts that include cities or towns because the municipal tax rate is included in the district tax rate. This means that most circuit breaker credits are in cities and towns and in units that overlap cities and towns.

#### Circuit Breaker Credit Types:

*Homesteads* are owner-occupied primary residences and include homestead land and buildings in the 1% tax cap category. Owner-occupied mobile homes and agricultural homesteads are included in this category. This category only includes credits on the portion of the property that qualifies as a homestead.

*Other Residential/Farmland* includes small rental housing units, larger commercial apartments, second homes, long-term care facilities, and farmland, in the 2% tax cap category.

*All Other Real/Personal* is commercial, industrial, and utility land and buildings, and business equipment, including agricultural equipment, in the 3% tax cap category. This category also includes credits on the portion of homeowner properties that do not qualify as a homestead.

*Elderly* includes credits for the 2% annual limit on homestead tax bill increases for low-income homeowners, age 65 and over. The *Total Levy by Unit* is gross property taxes levied, before all tax credits. For TIF districts, this amount represents the TIF proceeds before circuit breaker credits. This information is included to allow comparison to the circuit breaker revenue losses.

Numbers may not total due to rounding.